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Programme budget for the biennium 2002-2003

Plan to increase the regular budget component of the United Nations Office at Nairobi

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Cooperation between headquarters departments and regional commissions

Fourth report of the Advisory Committee on Administrative and Budgetary Questions

1. The Advisory Committee has considered the reports of the Secretary-General on the following: plan to increase the regular budget component of the United Nations Office at Nairobi (A/57/362); common services (A/57/176); trends in extrabudgetary resources at the Economic Commission for Latin America and the Caribbean and the impact on its capacity to carry out the programme of work (A/57/364); delivery of advisory services (A/57/363); and decentralized budgetary and financial arrangements for central services (A/57/348); and the note by the Secretary-General on cooperation between headquarters departments and regional commissions (A/57/361). During its consideration of the reports, the Committee met with representatives of the Secretary-General, who provided additional information and clarification.

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A. Plan to increase the regular budget component of the United Nations Office at Nairobi

2. The report of the Secretary-General (A/57/362) is submitted pursuant to a request contained in paragraph 161 of General Assembly resolution 56/253 of 24 December 2001 that the Secretary-General report on his plan for the upcoming bienniums for gradually increasing the regular budget component of the United Nations Office at Nairobi, with a view towards easing the administrative costs levied on the substantive programmes of the United Nations Environment Programme and the United Nations Human Settlements Programme.

3. The Advisory Committee notes, however, that the Secretary-General in his report reflected the efforts that had been made in this regard during the past three bienniums, indicating that further proposals to strengthen the United Nations Office at Nairobi would be submitted in the context of the proposed programme budget for the biennium 2004-2005. In this connection, in his proposed programme budget outline for the biennium 2004-2005, the Secretary-General states that resources are foreseen to strengthen peace-building, human rights and humanitarian assistance, the economic and social sector, as well as conference-servicing and the United Nations Office at Nairobi (see A/57/85, para. 6).

4. **The Advisory Committee recommends that the General Assembly endorse the approach proposed by the Secretary-General in his report.**

B. Common services

5. The Advisory Committee considered the report of the Secretary-General on common services (A/57/176). The representatives of the Secretary-General provided the Committee with additional information on and clarification of the issues under consideration. The Committee takes note of the status of the technical working groups of the Task Force on Common Services and encourages greater cooperation, especially in such areas as travel and the development of procurement-dedicated web sites. The Committee intends to revert to this matter in the context of its consideration of section 27D, Office of Central Support Services, of the proposed programme budget for the biennium 2004-2005.

C. Trends in extrabudgetary resources at the Economic Commission for Latin America and the Caribbean and the impact on its capacity to carry out the programme of work

6. The report of the Secretary-General (A/57/364) is submitted in response to a request made in paragraph 121 of General Assembly resolution 56/253 for the submission of concrete proposals to address the impact of declining extrabudgetary resources for the Economic Commission for Latin America and the Caribbean.

7. The Advisory Committee welcomes the presentation of the report, which contains information on the evolution of extrabudgetary resources during the past three bienniums, the overall extrabudgetary resource trend, the experience in extrabudgetary resource mobilization during the biennium 2000-2001, the main

sources of extrabudgetary resources and restrictions to the expansion and diversification of such resources.

8. The Advisory Committee notes from the information provided in tables 1 and 2 of the report that, in spite of variations between projected and actual expenditures from one biennium to the next, there has been an increase in extrabudgetary resources during the past three bienniums — from $16.5 million in actual expenditures in 1996-1997 to $20.0 million in 2000-2001. The variations are due to uncertainties inherent in making projections based on pledges two years in advance of the actual execution of the programme of work, as well as exchange rate adjustments. The Committee referred to the difficulty of forecasting extrabudgetary resources in its first report on the proposed programme budget for the biennium 2002-2003.[1]

9. **The Advisory Committee recommends that the General Assembly take note of the report of the Secretary-General.**

D. Delivery of advisory services

10. The report of the Secretary-General (A/57/363) is submitted pursuant to paragraph 94 of General Assembly resolution 56/253, in which the Secretary-General was requested to consider, with respect to the delivery of advisory services to Member States, avoiding duplication and achieving optimum and effective use of resources.

11. Despite the general information given, the report does not specifically address the request of the General Assembly. It is the intention of the Advisory Committee to follow up on this issue in the context of the proposed programme budget for 2004-2005.

E. Decentralized budgetary and financial arrangements for central services

12. The report of the Secretary-General (A/57/348) is submitted pursuant to paragraph 37 of General Assembly resolution 56/253, in which the Secretary-General was requested to study the possibility of introducing a practice whereby user departments within the United Nations Secretariat would bear increased responsibility for paying for services currently borne centrally under section 27, Management and central support services, of the budget. The report outlines the measures already in place for decentralized funding of central services and provides a review of advantages and disadvantages of decentralized funding arrangements, as well as the potential for further decentralized funding of central services. The Advisory Committee welcomes this analysis and the subsequent steps that have been taken.

13. **The Advisory Committee recommends that the General Assembly take note of the report of the Secretary-General. The Committee requests the Secretary-General to remain seized with the matter and to submit such proposals as he deems necessary in the context of the programme budget for 2004-2005.**

F. Cooperation between headquarters departments and regional commissions

14. The note by the Secretary-General (A/57/361) is submitted pursuant to paragraph 69 of General Assembly resolution 56/253, in which the Secretary-General was requested to further enhance cooperation between relevant headquarters departments and regional commissions in order to ensure the quality of output and services to Member States and to address the duplication and overlap of services, where they existed, and to improve the efficiency of programme support activities. The note by the Secretary-General contains no substantive information.

15. The Advisory Committee notes from paragraph 2 of the note that the report of the Secretary-General to the Economic and Social Council on regional cooperation in the economic, social and related fields (E/2002/15) addresses the issue of cooperation between headquarters departments and regional commissions. During the hearings, the Committee was informed that the issue was a relevant item on the agenda of the Second Committee and that it would be considered by the General Assembly in the context of the report of the Secretary-General on strengthening of the United Nations: an agenda for further change (A/57/387).

Notes

[1] *Official Records of the General Assembly, 56th session, Supplement No. 7* (A/56/7), paras. 57-58.